



**Statement of Dr. Nitin S. Damle, President, American College of Physicians
Hearing on the Impact of the ACA Repeal Bill**

March 16, 2017

Good morning. My name is Nitin Damle. I am President of the American College of Physicians (ACP), the nation's largest medical specialty organization, representing 148,000 internal medicine physicians who specialize in primary and comprehensive care of adolescents and adults, internal medicine subspecialists, and medical students who are considering a career in internal medicine. I am a practicing internist in Wakefield, RI, and a Clinical Associate Professor of Medicine at the Alpert Medical School of Brown University.

Let me start by thanking Representatives Hoyer, Pallone, Neal, and Scott for inviting me to share my perspectives on how changes in health care will affect patients.

I'm not here today to push a partisan or political agenda. Rather, my sole reason for being here is that I'm a doctor who is deeply concerned that my patients, and many millions like them, would be greatly harmed by the ACA repeal bill, called the American Health Care Act.

Let me explain why.

First, this bill will harm patients by taking coverage away from them. According to the Congressional Budget Office, the number of uninsured would skyrocket by 24 million Americans in 2026 compared to current law; 14 million next year. Without health insurance, people are less likely to have access to a regular physician, less likely to get cancer screening tests and vaccinations, less likely to keep up with their medications, more likely to get care in an emergency room, and more likely to wait to be treated until their disease has reached a more advanced and less treatable stage.

I saw a 62-year-old male about two weeks ago who was relatively healthy but had a family history of heart disease. He came in with chest pressure and a change in his exercise tolerance over the past month. I did an EKG and an examination and diagnosed him with a heart attack. He was taken by ambulance to the hospital where he was stabilized and subsequently had quadruple bypass surgery. I saw him again yesterday and he is doing well. He showed me his bill of \$150,000. Fortunately he had insurance or he would have had to declare bankruptcy from medical expenses.

Second, one of the reasons that patients will lose coverage is that the bill will make private health insurance unaffordable for older, sicker and poorer patients. This is because the bill's age-based tax credits are too low and deductibles too high for older and poorer patients, and because insurers would be allowed to charge older patients five times more for their coverage than younger people.

- The CBO found, for instance, that under this bill, a 64-year-old who makes \$26,500 would pay \$14,600 out-of-pocket for insurance in the non-group market compared to \$1,700 under the ACA, a 750% increase! Such patients can't afford to have more than half of their incomes go to buy insurance; instead, they will just become uninsured.

In my practice, I have many older, poorer and sicker patients who would be left behind if this became law. Patients with diseases like congestive heart failure, diabetes, chronic obstructive pulmonary disease from smoking who require frequent and ongoing monitoring of their medications, development of complications from their disease and home based nursing support.

They often have unstable medical conditions that put them at risk for falls and fractures at home, respiratory and heart failure needing hospitalization or dialysis from diabetes related kidney failure, and many times are on multiple high priced medications. A patient of mine with Hepatitis C infection is undergoing treatment that will cost over \$90,000. Without insurance at an affordable price with reasonable deductibles, he and other patients of mine would not be able to afford care.

My written statement includes a chart from the CBO that shows how the American Health Care Act makes health insurance unaffordable for those who need it most: older, sicker and poorer patients.

Table 4 - ILLUSTRATIVE EXAMPLE OF SUBSIDIES FOR NONGROUP HEALTH INSURANCE UNDER CURRENT LAW AND THE AHCA, 2026

(Dollars)

	Premium ^a	Premium Tax Credit ^b	Net Premium Paid	Actuarial Value of Plan After Cost-Sharing Subsidies (Percent) ^c
Single Individual With Annual Income of \$26,500 (175 percent of FPL)^d				
Current Law				
21 years old	5,100	3,400	1,700	87
40 years old	6,500	4,800	1,700	
64 years old	15,300	13,600	1,700	
AHCA				
21 years old	3,900	2,450	1,450	65
40 years old	6,050	3,650	2,400	
64 years old	19,500	4,900	14,600	
Single Individual With Annual Income of \$68,200 (450 percent of FPL)^d				
Current Law				
21 years old	5,100	0	5,100	70
40 years old	6,500	0	6,500	
64 years old	15,300	0	15,300	
AHCA				
21 years old	3,900	2,450	1,450	65
40 years old	6,050	3,650	2,400	
64 years old	19,500	4,900	14,600	

Third, patients will be harmed by the American Health Care Act because it radically restructures and cuts Medicaid.

- It ends the promise made more than a half century ago that the federal government will pay its fair share to the states to help fund Medicaid, which today provides coverage to more than 70 million people. Instead, it imposes a per enrollee cap on the federal contribution to Medicaid; if actual costs to provide care exceed the cap, the states will be left holding the bag.

- The bill also would phase out federal funding to states, like my own state of Rhode Island, which expanded Medicaid to people with incomes up to 138% of the federal poverty level.

The CBO found that because of these changes, the federal contribution to the states would be reduced by \$880 billion over the next ten years, a whopping 25% cut! With such reductions, states would have no choice but to limit eligibility and benefits, or raise taxes, cut payments to hospitals and physicians, and cut other programs to make up for the shortfall. At least 14 million Medicaid enrollees will lose their coverage.

I am greatly concerned about patients in my practice who would lose their Medicaid coverage as a result. I recently diagnosed colon cancer in a Medicaid patient of mine. She will need to be seen by an oncologist, radiation oncologist and surgeon to treat her disease. With cuts to Medicaid, this patient will have difficulty accessing any of the above physicians and receiving hospital and outpatient care.

Substance abuse including opioids and alcohol is a significant problem and Medicaid provides funding for treatment programs in our state. With the proposed cuts, it will be difficult to support these patients and programs.

There are many other things about the American Health Care Act that I am concerned would harm patients, such as a cut in funding to the Centers for Disease Control and Prevention to prevent the spread of flu, Zika and other infectious diseases, and the defunding of women's health clinics.

Last week, the American College of Physicians sent a letter https://www.acponline.org/acp_policy/letters/letter_to_congressional_leaders_opposing_american_healthcare_act_2017.pdf to Speaker Paul Ryan, Minority Leader Nancy Pelosi, Majority Leader Mitch McConnell, and Minority Leader Chuck Schumer explaining in more detail why we are opposed to the American Health Care Act.

In conclusion, the changes that the American Health Care Act would make to our healthcare system would adversely impact tens of millions of our patients, especially older, sicker, and poorer ones. I sincerely hope that Congress will slow down the drive to pass this deeply flawed bill, and instead work with ACP and others on bipartisan ways to improve current law without undermining essential coverage and consumer protections for millions of patients as this proposal does.